



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street  
San Francisco, CA 94105-3901

Memorandum

To: File

From: Nancy Rumrill, Drinking Water Protection Section

Date: September, 2016

Re: EPA Adjusted Cost Estimates for Financial Assurance

**EPA Adjustment to Cost Estimates for Financial Assurance Amounts**

Elements of Financial Assurance costs	Florence Copper Cost Estimates, \$	EPA Adjusted Cost Estimate	Cost Estimate Differences	Comments
GW Restoration	1,748,591	2,721,780	973,189 <sub>1</sub>	
PTF Closure - w/BHP wells	721,537	721,537	0	
Post-Closure Monitoring	304,334	608,668	304,334 <sub>1</sub>	
<b>Subtotals</b>	2,774,462	4,051,985	1,277,523 <sub>1</sub>	
Contingency Cost Estimate	416,169	0	(416,169)	See footnote 1 below
Admin. & Misc. Cost Estimate	277,446	405,199	127,753	
<b>Grand Totals</b>	3,468,077	<b>4,457,184</b>	989,107	

Footnotes

1. Contingency cost estimates are included in the restoration and post-closure monitoring cost estimates.
2. EPA adjusted estimate by subtracting 4 mine shaft sampling events from the GW restoration total (\$1,748,591-(4\*1663) = 1,741,939). One month for closure period is approx. \$1,741,939/16 months = \$108,871/month. With an additional time of 9 months estimated for complete restoration, the additional associated cost is approximately \$979,841 (est 9 months x \$108,871/month).